

HB 319
Review and Approval of Grants
Governor's Office of Planning and Budget
Effective Date May 5, 2008

HB 319 applies to: (63J-7-101)

- “Agency” – includes state departments, divisions, committees, commissions, councils, courts or other subunits including executive branch and judicial branch entities.
- This act does NOT apply to higher education institutions or political subdivisions.

Exemptions from the provisions of HB 319: (63J-7-102)

- Deposits into General Fund restricted accounts
- Deposits into Trust and Agency Fund
- Deposits into an Enterprise Fund
- Deposits into the General Fund as free revenue; without restriction or other designated purpose
- Deposits into the Education Fund or Uniform School Fund as free revenue; restricted only to “education”
- In-kind donations
- Tax, fees, penalty, fine, surcharge, money judgment, or other monies due the state
- Contribution made under the Individual Income Tax Contribution Act
- Monies received by an agency from another agency or political subdivision
- Dairy Commission
- Heber Valley Railroad Authority
- Utah Science Center Authority
- Utah Housing Corporation
- Utah State Fair Corporation
- Workers’ Compensation Fund
- Utah State Retirement Office
- School and Institutional Trust Lands Administration
- Utah Communications Agency Network
- Medical Education Program
- Utah Capital Investment Corporation
- State Charter School Finance Authority
- State Building Ownership Authority
- Utah Comprehensive Health Insurance Pool
- Military Installation Development Authority
- Monies subsequent to a state of emergency
- Monies to assist disaster victims

“Grant” as defined in HB 319: (63J-7-101)

1. Cash or other monies donated to an agency by a grantor.
2. Includes reauthorization of an existing grant.
3. Grant does not mean (a) monies appropriated to an agency by the Legislature, (b) monies received from the United States Government, (c) monies legally required to be paid to the state, or (d) monies legally required to be repaid by the state.

“Grantor” as defined in HB 319: (63J-7-101)

Individual, group of individuals, foundation, corporation, or public or private organization making the grant.

“New State Monies” as defined in HB 319: (63J-7-101)

Monies, whether specifically appropriated by the legislature or not, that the grantor requires Utah to expend as a condition for receiving the grant.

Information that agencies will need to provide under HB 319: (63J-7-101)

1. The amount of money being requested or is available to be received by the agency from a grant.
2. The duration of the grant and provisions for its reauthorization or extension, if any.
3. The name of the grantor.
4. The purpose of the grant, including, in detail, any programs, resources, and positions required to be funded by the grant.
5. Any requirements that the agency must meet as a condition to receive or participate in the grant.
6. The amount of state monies (including in-kind contributions), if any, that will be required in order to obtain the grant.

The new approval process for receiving grant monies:

- Seeking approval to apply for and receive grant monies will be similar to GOPB’s current Federal Funds review process. (Please use GOPB’s “Non-Federal Grant Application – Budget Impact Form” located at our web-site: <http://governor.utah.gov/gopb>)
- Non-Judicial state agencies will forward all grant requests through GOPB that are \$10,000 or greater regardless of the level of approval required.
- Timing is key: “Before obligating the state to accept or receive a grant, an executive/judicial branch agency shall submit a grant summary to the Governor (designee)/Judicial Council for approval or rejection.”
- HB 319 establishes a three-tiered approval system as outlined below:

LOW: (63J-7-201) and (63J-7-202)

- a) \$10,000-50,000 per year or less from the grantor;
 - b) No new permanent full-time or part-time employees;
 - c) No new state monies required for match.
- (Review and recommendation at the GOPB or Judicial Council level only).

MEDIUM: (63J-7-203)

- a) More than \$50,000 but less than \$1.0 million per year from the grantor;
 - b) Require the state to add more than -0- but less than 11 permanent full or part-time employees.
 - c) Require the state to expend \$1 to \$1.0 million of new state monies in a fiscal year.
- (Review and recommendation by GOPB or Judicial Council followed by review and recommendation by legislative Executive Appropriations Committee).

HIGH: (63J-7-203)

- a) \$1.0 million or more per year from the grantor;
 - b) Require the state to add 11 or more permanent full or part-time employees;
 - c) Require the state to expend more than \$1.0 million per year in new state monies.
- (Review and recommendation by GOPB or Judicial Council followed by review and recommendation by the entire Legislature. This option may require the Governor to call a special session).

Final Thoughts:

- Remember continuation grants not annually appropriated by the Legislature (reauthorizations) are not automatic. You must submit a Non-Federal State Budget Impact Form every time you apply for or consider accepting money.
- Don't delay – the new requirement of legislative approval may endanger your ability to obtain grant monies in a timely fashion.

Contact: Governor's Office of Planning and Budget (GOPB) Grants Analyst, 801-538-1027, or stategrants@utah.gov.